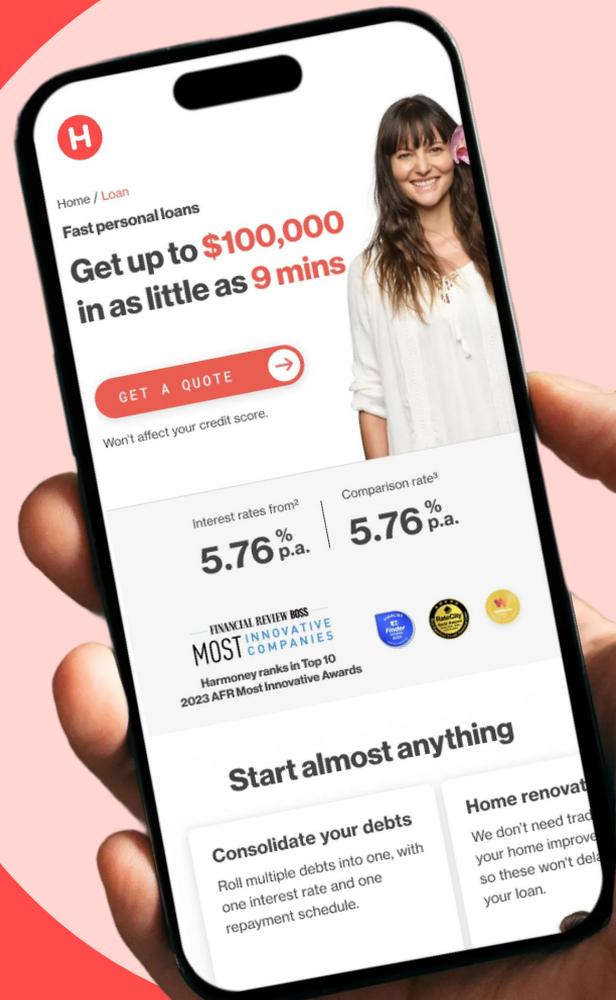


# 1H26 Investor Presentation

ASX: HMY

David Stevens CEO and Managing Director  
Simon Ward CFO

*All values are in \$AUD unless stated otherwise*



# Contents

- 1. 1H26 Highlights**
  - 2. FY26 Guidance**
  - 3. About us**
  - 4. Financial results**
  - 5. Outlook**
- Appendix**

**Harmony**

# 1H26 Highlights

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# 1H26 Highlights vs 1H25 (pcp)



## **\$6.1m Statutory NPAT**

1H26 surpassed full year FY25 Statutory NPAT of \$5.5m, growth 202%.



## **\$6.1m Cash NPAT**

1H26 also surpassed full year FY25 Cash NPAT of \$5.7m, and represented 166% growth.



## **31% Cash RoE**

Achieved 31% cash return on equity up from 13%, a 138% increase.



## **Lending & book growth**

Group loan book growth +9%. Australian book growth +17%. New Zealand book returned to growth +5% NZD, with originations up 49% following Stellare<sup>®</sup> 2.0. deployment in June 2025.



## **10.3% Portfolio NIM**

Sustained new lending NIM >10% drove 1H26 total loan book NIM to 10.3%, up 130bps.



## **Stable credit losses**

Credit losses 3.9%, up slightly from 3.7%.  
90+ day arrears 0.58%, down from 0.64%.



## **19% Cost to income**

Automation drives enviable cost efficiency and increasing profitability as the loan book continues to grow.



## **Exceptional funding for growth**

In December 2025 refinanced corporate debt to “Big-4” bank. Existing warehouse facilities from 3 of the “Big-4” banks, total capacity ~\$1bn.  
Unrestricted cash \$24m, after \$7.5m repayment of corporate debt.

**Harmony**

# FY26 Profit guidance

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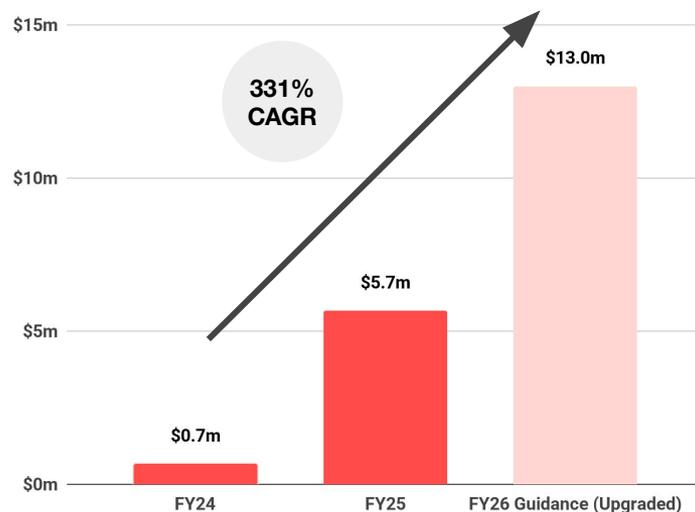
# FY26 Guidance: Cash NPAT \$13m, 128% increase on pcp

*Upgraded by \$1m (8%)*

## FY26 Guidance: \$13m Cash NPAT

- Stellare<sup>®</sup> 2.0 driving year end loan book to \$900m+
- Net interest margin: ~10%
- Risk adjusted income: ~6%
- Cash NPAT: **\$13m** (previous guidance \$12m)

## Cash NPAT



**Harmony**

# About us

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# What sets Harmony apart

## Consumer-direct lending, data driven automation

- AU & NZ's largest 100% consumer-direct online lender
- Market opportunity >\$150bn, current market share <1%
- Our algorithms partner with Google's to attract prime customers at low cost and our great customer experience sees them returning at near zero cost
- Deep first party data and AI models deliver prime loan book and 6.4% Risk Adjusted Income<sup>1</sup>
- Funded by 3 of the "Big-4" Australian banks, plus public securitisations
- Stellare<sup>®</sup> automation drives a low cost to income, 19% in 1H26
- Cash return on equity of 31% in 1H26

1. Risk adjusted income (RAI) is income after funding costs and actual credit losses.

## Fair, simple, personal loan



Loans up to **\$100,000**, average \$18,000



Personalised pricing  
**5.76% - 24.99%**



One establishment fee,  
**no other fees**



Up to **7 year** loan terms



**Secured** and **unsecured** options



Disbursals within **minutes**

### Typical uses:

Debt consolidation, home renovations, cars, weddings and other life events, education and travel.

# Our customer flywheel: Acquire once, earn 2.5X

We've built a self-reinforcing growth engine where each customer generates 150% in subsequent lending at near-zero marginal acquisition cost.



**150%**

**Subsequent Lending**

Existing customers borrow an additional \$27k after initial \$18k loan.



**~0%**

**Repeat Customer CAC**

vs. ~5.6% for new customer acquisition.



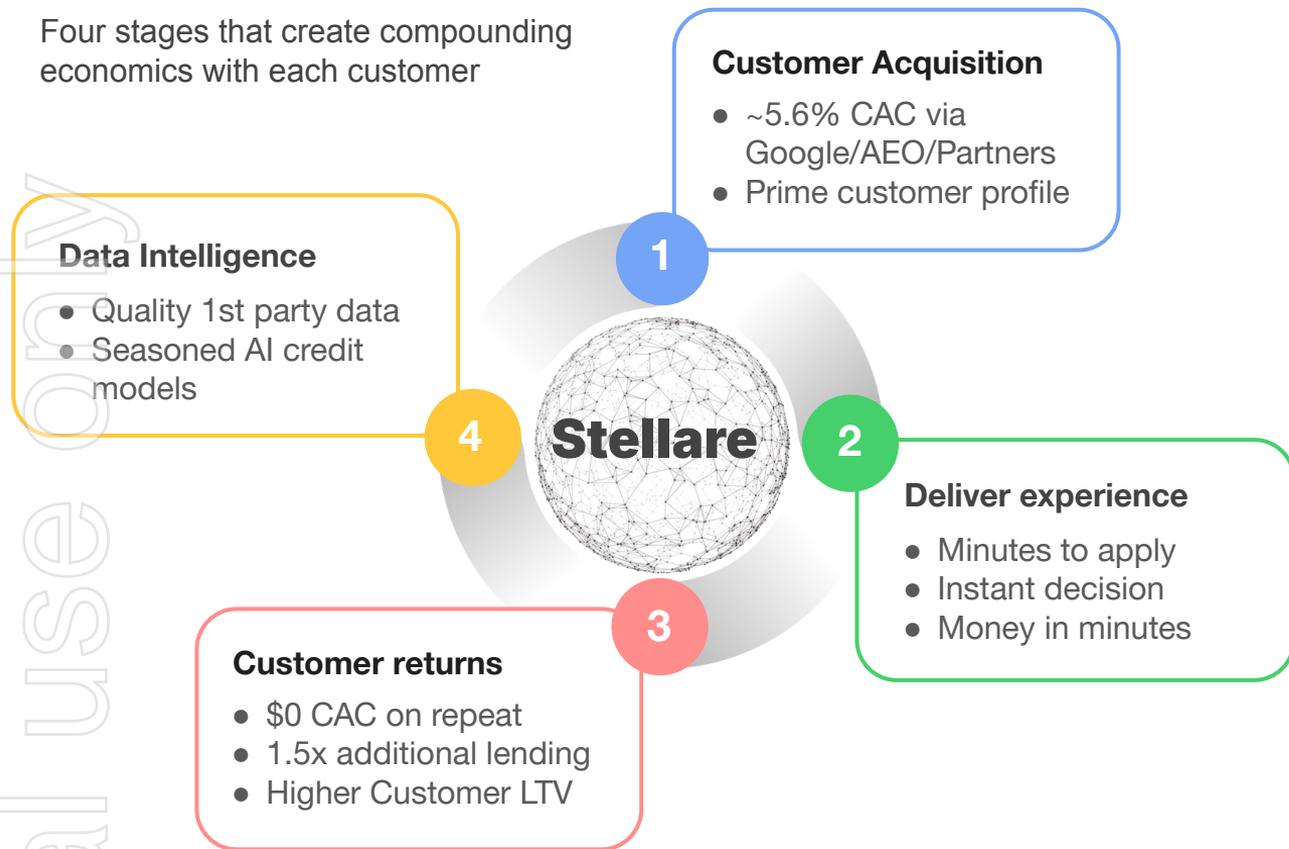
**15**

**Months**

Average time between first and second loan.

# How the Flywheel works

Four stages that create compounding economics with each customer



## Result: Unit economics that compound



### First Loan

- \$18,000 loan
- ~5.6% CAC = \$1,000



### Subsequent loan(s)

- \$27,000 loan (1.5x)
- 0% CAC = \$0



### KPIs achieved

- RAI 6.4%
- RoE 31%

**Harmony**

# Financial results

# Cash NPAT and Statutory NPAT surpass full year FY25

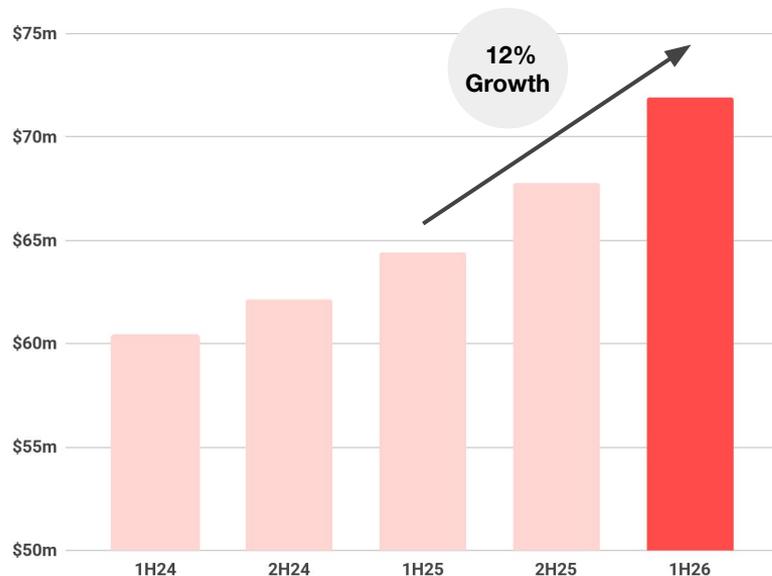
	1H26	1H25	Change	
<b>Loan book</b>	\$857m	\$783m	9%	↑
<b>Revenue</b>	\$71.9m	\$64.4m	12%	↑
<b>Net interest income</b>	10.3%	9.0%	130bps improvement	↑
<b>Risk adjusted income</b>	6.4%	5.3%	110bps improvement	↑
<b>Acquisition to originations ratio</b>	3.1%	3.2%	10bps improvement	↓
<b>Cost to income ratio</b>	18.5%	18.1%	40bps increase	↑
<b>Statutory NPAT</b>	\$6.1m	\$2.0m	202%	↑
<b>Cash NPAT</b>	\$6.1m	\$2.3m	166%	↑
<b>Return on Equity (Statutory)</b>	31%	11%	181%	↑
<b>Return on Equity (Cash)</b>	31%	13%	138%	↑

# Stellare 2.0 driving loan book and revenue growth

## Loan book growth of +9% on pcp

- Stellare<sup>®</sup> 2.0 driving a re-acceleration in loan book growth, with the loan book up +9% on pcp to \$857m, despite New Zealand loan book being suppressed by the weakest NZD since 2013 (*group loan book \$882m at 30 June 2025 exchange rate*).
- NZ loan book up +5%, with originations up +49%, on pcp (in local currency) following rollout of Stellare<sup>®</sup> 2.0 in the NZ market in Jun-25.
- AU loan book up +17% on pcp, now 61% of Group.
- Revenue grew by +12% on pcp to \$71.9m, driven by loan book growth and the average portfolio interest rate increasing to 17.2%, from 16.8% pcp.

## Revenue growth of +12% on pcp

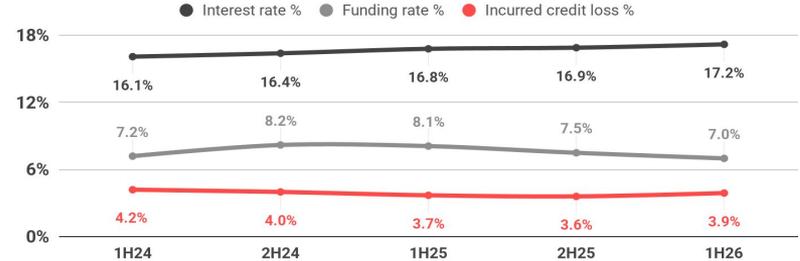


# Net interest margin and risk adjusted margin continue to improve

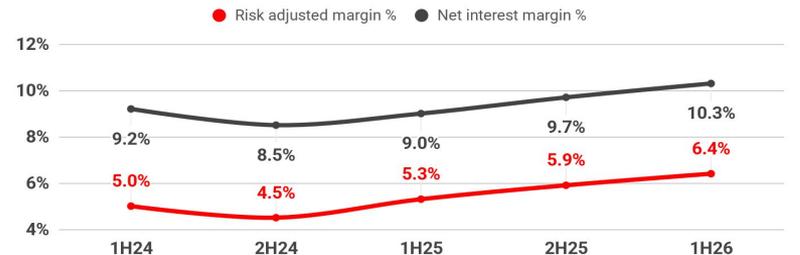
## Stellare<sup>®</sup> growing book and margins

- Interest rate on loan book up to 17.2% (16.8% pcp).
- Funding rate down to 7.0% (8.1% pcp).
- Loan book NIM up 130bps to 10.3% (9.0% pcp), new lending NIM continued at >10%.
- Credit losses up slightly to 3.9% (3.7% pcp) but expected to remain below 4%.
- Risk adjusted margin (after credit losses) up 110bps to 6.4% (5.3% pcp).

## Margin drivers



## NIM & Risk adjusted margin

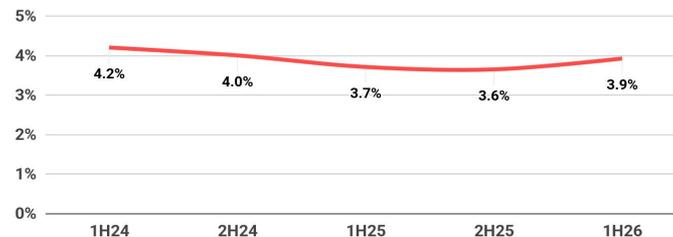


# Consistent credit performance

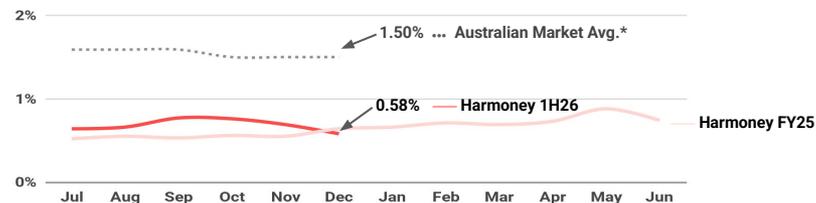
## Credit losses stable

- Deep consumer-direct data and AI credit models delivering prime loan book with 70% employed in professional, office or trades roles and 89% aged 30+.
- Credit losses 3.9% up 20bps from pcp, but within target range.
- Continuing low group 90+ day arrears at 0.58%, down from 0.64% pcp, and remaining at well less than half the Australian market average.

## Annualised loss rate



## Low 90+ day arrears



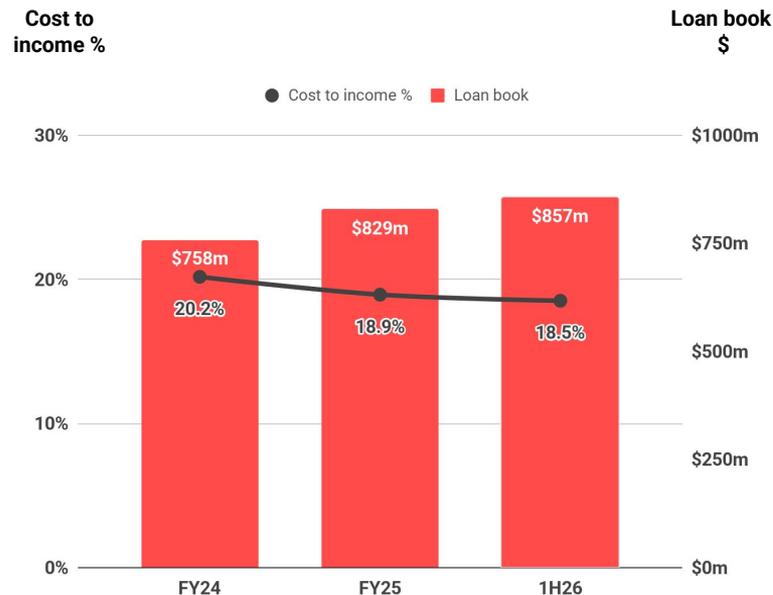
\*Source: Equifax Australian Consumer Credit Demand Index 2025 Q4, Personal Loan series.

# Stellare<sup>®</sup> automation underpins increasing profitability

## Exceptional proven scalability

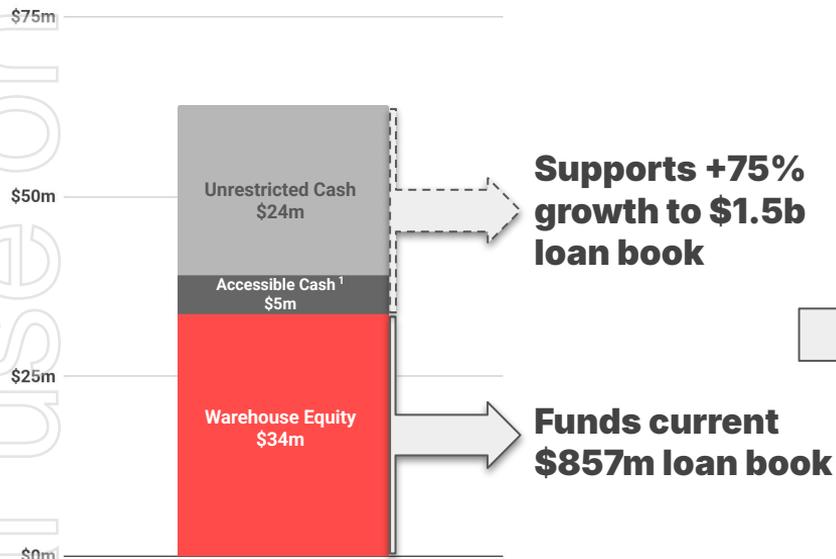
- Loan book up +9%.
- Stellare<sup>®</sup> platform continues to drive an industry leading cost to income ratio of 18.5%.
- Underpins 1H26 Statutory and Cash NPAT of \$6.1m, surpassing entire FY25 Cash NPAT.
- Annualised 1H26 Return on Equity of 31%.

## Cost to income ratio below 19%



# Harmony is capitalised for significant loan book growth without raising any equity

## Current cash supports \$1.5b loan book



<sup>1</sup> Accessible cash is loans funded by Harmony which are available to be drawn down from funders as Unrestricted Cash.

## Reinvested profits fund loan book growth beyond \$1.5b

- Growing profits fund future loan book growth, (i.e. \$1m profit funds \$25m loan book growth).
- 1H26 profits funded loan book growth and improved funding advance rates enabled the repayment of \$7.5m of corporate debt.
- Capital efficient with borrowings 96% of loan book.
- Diversified funding from 3 of Australia's "big-4" banks and an asset backed securitisation program.
- Share buy-back is available until April 2026.

**Harmony**

# Outlook

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# FY 26 - 27: Accelerating the Flywheel

1

## Customer Acquisition

### What we're building

- Next generation AI underwriting with Stellare<sup>®</sup> 2.0
- Embedded finance partnerships e.g. auto marketplaces

### Expected impact

- ✓ Increased approval rate; maintained credit quality
- ✓ Expanded reach through partners

PROGRESS



Originations up 27% on pcp

2

## Deliver Experience

### What we're building

- Multi-product customers (personal+auto)
- Life event triggered lending

### Expected impact

- ✓ Increased average lifetime lending
- ✓ Expansion of total addressable market (TAM)

PROGRESS



Vehicle loan book up 18% on pcp

4

## Data Intelligence

### What we're building

- Next Agentic AI for personalisation at scale
- Predictive retention models

### Expected impact

- ✓ Improved customer retention and satisfaction
- ✓ A 'private banker' automated application experience

PROGRESS



Proprietary customer data creates defensible AI advantage

3

## Customer Returns

### What we're building

- Mobile app with one click loan access
- Revolving credit line (instant funds)

### Expected impact

- ✓ Reduce time between loans
- ✓ Reduced blended CAC

PROGRESS



Continued CAC reduction

# Combined effect: Flywheel acceleration

More customers + Higher Lifetime value + Faster velocity

= accelerated profit growth

**>\$900m**

FY26 Loan book  
Guidance

**\$13m**

FY26 Cash NPAT  
Upgraded Guidance

**31%**

Return on Equity



**Harmony**

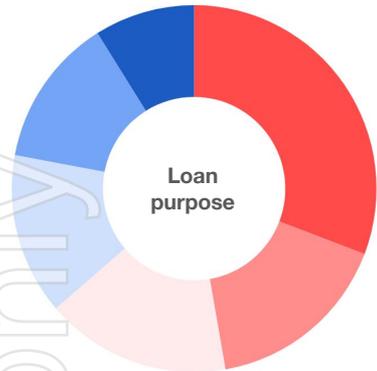
# Appendix

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# \$857m Loan Book - demographic consistency across the years

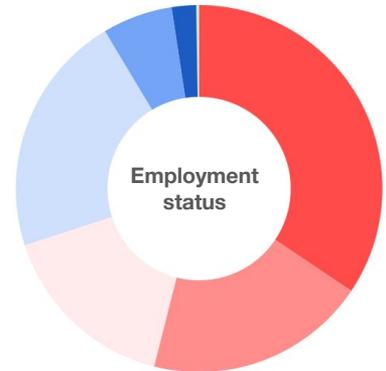
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- Debt consolidation - 31%
- Home improvements - 16%
- Life events - 16%
- Recreation - 14%
- Vehicle - 13%
- Other - 10%

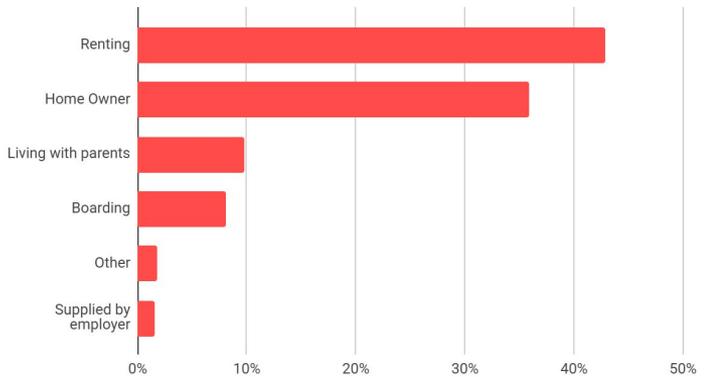


- Australia - NSW/ACT - 19%
- Australia - QLD - 16%
- Australia - VIC - 13%
- Australia - Other - 13%
- NZ - Auckland - 15%
- NZ - North Island (ex. Akl) - 16%
- NZ - South Island - 8%

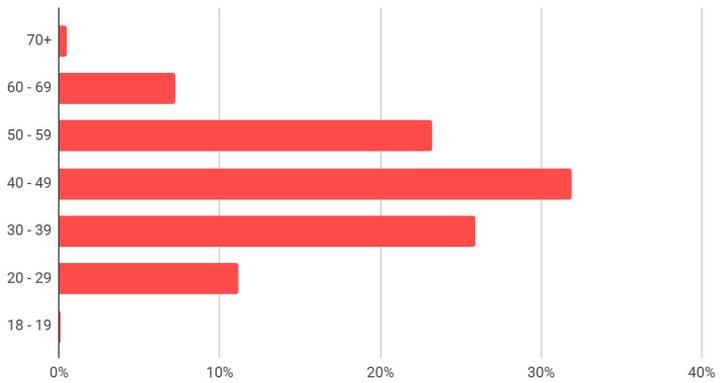


- Office - 34%
- Professional - 20%
- Trade - 16%
- Others - 21%
- Unskilled - 6%
- Self-Employed - 2%
- Home - 1%

## Residential Status



## Age of Customers

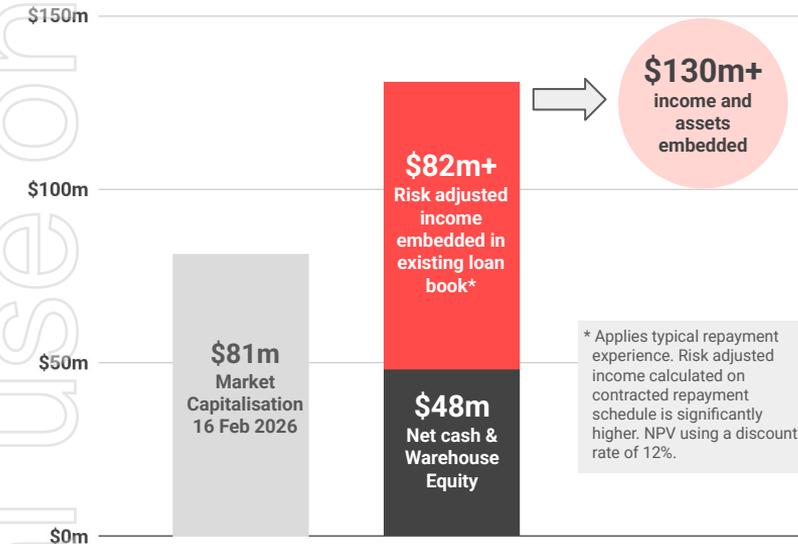


# \$130m+ embedded cash value in existing loan book

## + Business Value

### Existing loan book value

at 31 December 2025

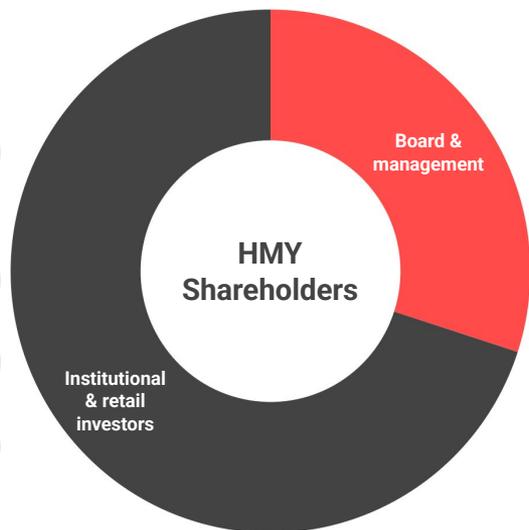


### + Business value

- Proprietary, highly automated Stellare<sup>®</sup> 2.0 customer acquisition and credit assessment engine. Over 10,000 new applicants create an account every month.
- Existing customer base return for 150% in additional lending, at near zero cost.
- Loan book growing at >10% NIM and >6% risk adjusted income (income after funding costs and credit losses).
- Proven scalability with industry leading cost to income %.
- Diversified funding from 3 of the “big-4” Australian banks and an established asset backed security issuance program.

# 30% Management/Board owned, plus 10% shareholder aligned long term incentive plan

## HMV Shareholder Composition



## Long term incentive share plan

- New LTI plan approved at December 2025 AGM.
- Targets are based on shareholder-aligned Earnings per Share (EPS) growth and Total Shareholder Return (TSR) over next 3 years.
- EPS full vesting requires 25% CAGR EPS growth from FY26 base of \$13.5m Cash NPAT<sup>1</sup>.
- TSR full vesting requires HMV to be in the top 25% of the ASX Small Ordinaries Index.

<sup>1</sup> EPS target is 25% annualised growth on FY26 Cash EPS of \$0.1298, which is equivalent to Cash NPAT of \$13.5m at current issued number of shares.

# Experienced & shareholder aligned leadership team

Deep FinTech experience, large shareholdings (Board & Management 30%) and long term incentive share plan. Long term commitment with average tenure 7+ years across the leadership team.



**David Stevens**  
Chief Executive Officer

20+ years of experience in financial services. A highly experienced public company CEO specialising in consumer and commercial finance in Australia and NZ. Previously CEO of ASX listed Humm Group (FlexiGroup).



**Simon Ward**  
Chief Financial Officer

15+ years of CFO experience and 20+ years experience in financial services across Australia, NZ and Europe.



**Brad Hagstrom**  
Chief Operating Officer

25+ years of financial services experience across Australia and NZ. Previously Operations Manager of ASX listed Humm Group (Flexigroup).



**Anna Cupples**  
Chief Digital Officer

20+ years of experience in delivering large-scale solutions, building high-performing teams, driving agile architecture, and strategy across complex enterprise environments in NZ.



**Glen MacKellaig**  
Chief Marketing Officer

15+ years of experience in financial services marketing in Australia, NZ, UK and Canada.

# Join our Investor Hub: [harmony.com.au/invest](https://www.harmony.com.au/invest)

- Investor Hub is the best way to stay informed and connected with all things ASX: HMY.
- Comment and ask questions directly to Harmony's leadership team and see other investors questions and responses.
- See videos accompanying our ASX announcements, interviews, research reports, and webinars.
- Join our mailing list to receive the latest news and updates from Harmony by email.

## Market data

Market open (20 min. delay) All prices in AUD

Current price <b>\$0.835 AUD</b> -0.00%	Volume -	Market Cap. <b>\$86.89M</b>	Year low - high <b>\$0.41 - 1.00 AUD</b>
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### Market data chart (ASX:HMY)



### Price Activity

Last price	\$0.835
Open price	-
Day low - high	\$0.805 - \$0.835
Price change	\$0.00
Percentage change	0.00%
Previous close	\$0.835
Volume (no. of shares)	-

### Performance

Market cap	\$86.89M
Shares outstanding	104,056,714
VWAP	-
Bid / Ask	\$0.81 - \$0.855
52 week high	(21 Oct '23) \$1.00
52 week low	(7 Apr '23) \$0.41
Price/earnings ratio	15.43



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# Profit and loss

	6 Months ended 31 December 2025	6 Months ended 30 June 2025	6 Months ended 31 December 2024
	\$'000	\$'000	\$'000
Interest income	71,937	67,384	64,444
Other income	-	419	-
<b>Total income</b>	<b>71,937</b>	<b>67,803</b>	<b>64,444</b>
Interest expense	28,692	28,951	30,046
Incurred credit losses	16,420	14,605	14,238
<b>Risk adjusted income</b>	<b>26,825</b>	<b>24,247</b>	<b>20,160</b>
Customer acquisition expenses	7,435	7,479	6,199
<b>Net operating income</b>	<b>19,390</b>	<b>16,768</b>	<b>13,961</b>
Personnel expenses	5,789	6,249	5,361
Customer servicing expenses	3,160	3,190	2,777
Technology expenses	2,339	2,589	2,347
General and administrative expenses	2,035	1,343	1,196
<b>Cash operating expenses</b>	<b>13,323</b>	<b>13,371</b>	<b>11,681</b>
Cash tax expense	-	-	-
<b>Cash NPAT<sup>1</sup></b>	<b>6,067</b>	<b>3,397</b>	<b>2,280</b>
<i>Non-cash adjustments</i>			
Movement in expected credit loss provision	(994)	(783)	767
Share based payment expenses	(1,406)	(426)	(298)
Depreciation and amortisation expenses	(1,053)	(888)	(741)
Movement in deferred tax asset	3,444	2,210	-
<b>Statutory NPAT</b>	<b>6,058</b>	<b>3,510</b>	<b>2,008</b>

<sup>1</sup> Cash NPAT represents the underlying profitability of the business, adjusting for the impact of non-cash items.

# Key operating and financial metrics

	6 Months ended 31 December 2025	6 Months ended 30 June 2025	6 Months ended 31 December 2024
<b>Loan book value and growth</b>			
Total originations (\$'000)	242,670	207,506	191,339
New customer originations (\$'000)	133,188	128,431	117,179
Existing customer originations (\$'000)	109,482	79,075	74,160
Loan book (period end) (\$'000)	856,664	828,692	782,819
Loan book (average) (\$'000)	837,369	801,269	767,993
Average interest rate (%)	17.2%	16.9%	16.8%
Average funding rate (%)	7.0%	7.5%	8.1%
Net interest income (%)	10.3%	9.7%	9.0%
Risk adjusted income (%)	6.4%	5.9%	5.3%
<b>Loan book quality</b>			
Incurred credit loss (\$'000)	16,420	14,605	14,238
Incurred credit loss to average gross loans (%)	3.9%	3.6%	3.7%
Provision rate (%)	4.3%	4.4%	4.5%
<b>Productivity metrics</b>			
Customer acquisition to origination ratio	3.1%	3.6%	3.2%
Costs to income ratio	18.5%	19.7%	18.1%

# Cash Flow

	6 Months ended 31 December 2025 \$'000	6 Months ended 30 June 2025 \$'000	6 Months ended 31 December 2024 \$'000
<b>Cash flows from operating activities</b>			
Interest received	68,645	67,693	63,486
Interest paid	(28,078)	(28,910)	(29,233)
Fee income	359	66	66
Payments to suppliers and employees	(23,438)	(19,755)	(18,375)
<b>Net cash generated by operating activities</b>	<b>17,488</b>	<b>19,094</b>	<b>15,944</b>
<b>Cash flows from investing activities</b>			
Net advances to customers	(66,140)	(53,461)	(41,184)
Payments for software intangibles and equipment	(2,360)	(2,425)	(2,279)
<b>Net cash used in investing activities</b>	<b>(68,500)</b>	<b>(55,886)</b>	<b>(43,463)</b>
<b>Cash flows from financing activities</b>			
Proceeds from finance receivables borrowings	90,136	81,061	80,896
Repayments of finance receivables borrowings	(32,659)	(38,667)	(43,461)
Repayments of corporate debt	(7,500)	-	-
Purchase of Treasury shares	(153)	(127)	-
Principal element of lease payments	(269)	(285)	(277)
<b>Net cash generated by financing activities</b>	<b>49,555</b>	<b>41,982</b>	<b>37,158</b>
Cash and cash equivalents at the beginning of the period	52,617	47,233	37,744
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(1,457)</b>	<b>5,190</b>	<b>9,639</b>
Effects of exchange rate changes on cash and cash equivalents	(1,014)	194	(150)
<b>Cash and cash equivalents at the end of the period</b>	<b>50,146</b>	<b>52,617</b>	<b>47,233</b>

# Balance Sheet

	31 December 2025	30 June 2025	31 December 2024
	\$'000	\$'000	\$'000
Cash and cash equivalents	50,146	52,617	47,233
Trade and other assets	3,530	3,594	3,853
Finance receivables	861,526	832,187	786,839
Expected credit loss provision	(37,019)	(36,812)	(35,782)
Property and equipment	3,676	2,339	2,611
Intangible assets	9,374	8,323	6,292
Deferred tax assets	16,700	15,600	12,628
<b>Total assets</b>	<b>907,933</b>	<b>877,848</b>	<b>823,674</b>
Payables and accruals	6,400	7,866	5,674
Borrowings	852,297	824,267	775,263
Lease liability	3,898	2,499	2,712
Derivative financial instruments	2,612	8,733	6,559
<b>Total liabilities</b>	<b>865,207</b>	<b>843,365</b>	<b>790,208</b>
<b>Net assets</b>	<b>42,726</b>	<b>34,483</b>	<b>33,466</b>
Share capital	127,320	127,473	124,561
Foreign currency translation reserve	(2,915)	2	(899)
Share based payment reserve	945	-	4,792
Cash flow hedge reserve	(1,907)	(6,217)	(4,703)
Accumulated losses	(80,717)	(86,775)	(90,285)
<b>Equity</b>	<b>42,726</b>	<b>34,483</b>	<b>33,466</b>

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